

CAROLINE R. DJANG, Bar No. 216313
caroline.djang@bbklaw.com
BEST BEST & KRIEGER LLP
18101 Von Karman Avenue
Suite 1000
Irvine, CA 92612
Telephone: (949) 263-2600
Facsimile: (949) 260-0972

Attorneys for Niagara Bottling, LLC

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Case No. 7:18-bk-23538-rdd
Sears Holdings Corporation, *et al.*, : Chapter 11
Debtors. : (Jointly Administered)

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NOTICE OF RECLAMATION DEMAND BY NIAGARA BOTTLING, LLC

TO THE DEBTORS AND ALL INTERESTED PARTIES:

Niagara Bottling, LLC (“Niagara”) by and through its undersigned counsel, hereby gives notice that it served a demand for reclamation of goods (the “Reclamation Demand”) pursuant to Section 546(c) of the United States Bankruptcy Code, 11 U.S.C. §101, *et seq.* on October 17, 2018. A copy of the Reclamation Demand (without enclosures/exhibits) is attached as Exhibit A.

Dated: October 17, 2018

Respectfully submitted,

BEST BEST & KRIEGER LLP

By: /s/ Caroline R. Djang

Caroline R. Djang, CA Bar No. 216313
18101 Von Karman Avenue
Suite 1000
Irvine, CA 92612
Telephone: (949) 263-2600
Facsimile: (949) 260-0972
Attorneys for Creditor
Niagara Bottling, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 18th day of October 2018, a true and correct copy of the foregoing was served via ECF filing system of the United States Bankruptcy Court for the Southern District of New York on all parties receiving notice in this case.

/s/ Caroline R. Djang
Caroline R. Djang

EXHIBIT A



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Indian Wells
(760) 568-2611

Los Angeles
(213) 617-8100

Manhattan Beach
(310) 643-8448

Ontario
(909) 989-8584

18101 Von Karman Avenue, Suite 1000, Irvine, CA 92612
Phone: (949) 263-2600 | Fax: (949) 260-0972 | www.bbklaw.com

Riverside
(951) 686-1450

Sacramento
(916) 325-4000

San Diego
(619) 525-1300

Walnut Creek
(925) 977-3300

Washington, DC
(202) 785-0600

Caroline R. Djang
(949) 263-6586
Caroline.Djang@bbklaw.com

October 17, 2018

Ray C. Schrock, P.C.
Jaqueline Marcus
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153

Robert A. Reicker
Chief Financial Officer
Sears Holding, Corp.
3333 Beverly Road
Hoffman Estates, IL 60179

Re: Sears Holding Corporation, et al., (collectively the “Debtors”), Case No. 18-23538, Demand for Reclamation of Goods Pursuant to Bankruptcy Code § 546(c) and U.C.C. § 2-702 on behalf of Niagara Bottling, LLC

Dear Mr. Schrock, Mrs. Marcus, and Mr. Reicker:

I am writing as counsel for Niagara Bottling, LLC (“Niagara”) with respect to the above referenced, jointly administered Chapter 11 cases, which are currently pending in the United States Bankruptcy Court for the Southern District of New York.

Niagara sold certain goods (collectively, the “Prepetition Invoiced Goods”) to the Debtors, including, but not limited to Kmart Corporation.

The Prepetition Invoiced Goods were sold to the Debtors on credit and received by the Debtors while they were insolvent, which insolvency is evidenced, in whole or in part, by the Debtors’ filing of Petitions for Relief under Chapter 11 of the United States Code, 11 U.S.C. §101, *et seq.* (the “Bankruptcy Code”) on October 15, 2018 (the “Petition Date”). The Debtors received the Prepetition Invoiced Goods, shipped by Niagara, in the 45-day period preceding petition date, or between August 31, 2018, and October 15, 2018 (the “Reclamation Period”). The value of the outstanding invoices related to the Prepetition Invoiced Goods is \$58,860.19.

Demand is hereby made pursuant to 11 U.S.C. § 546(c) and U.C.C. § 2-7012 (and the applicable U.C.C. provisions in the states where the bulk of the goods were delivered), for return of the Prepetition Invoiced Goods. Niagara demands the immediate return of the Prepetition



Ray C. Schrock, P.C.

Robert A Reicker

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Goods. In the interim, Niagara demands that the Debtors immediately segregate the Prepetition Invoiced Goods. Please take notice that these goods are not to be sold, used or otherwise transferred except with our written consent or by order of the court of competent jurisdiction entered upon prior notice to Niagara.

This demand is made without prejudice to Niagara's rights to (a) seek an 11 U.S.C. § 546(b)(9) administrative claim with respect to any portion of the Prepetition Invoiced Goods that were received by the Debtors within twenty (20) days before the Petition Date, (b) assert any lien rights with respect to the Prepetition Invoiced Goods, and (c) seek an 11 U.S.C. § 546(b)(1) administrative claim with respect to any portion of the Prepetition Invoiced Goods that were received by the Debtors after the Petition Date.

If you have any questions regarding the relevant goods or invoices, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in blue ink that reads "Caroline R. Djang".

Caroline R. Djang
of BEST BEST & KRIEGER LLP

Enclosures